

AG Contract No. KR01-0034TRN  
ADOT ECS File No. JPA 00-208  
Project No. SB-AB-99(009)P  
TRACS No. H5388 09L  
Project: Scenic Byways Marketing  
Strategies

**INTERAGENCY AGREEMENT  
BETWEEN  
THE DEPARTMENT OF TRANSPORTATION  
AND  
THE ARIZONA OFFICE OF TOURISM**

THIS AGREEMENT is entered into 1 March 2001,  
between agencies of the State of Arizona, to wit; the DEPARTMENT OF TRANSPORTATION,  
acting by and through its Intermodal Transportation Division (the "DOT") and the ARIZONA  
OFFICE OF TOURISM, acting by and through its Director (the "AOT").

**I. RECITALS**

1. The DOT is empowered by Arizona Revised Statutes Section 28-401 to enter into this agreement and has by resolution, a copy of which is attached hereto and made a part hereof, resolved to enter into this agreement and has delegated to the undersigned the authority to execute this agreement on behalf of the DOT.

2. The AOT is empowered by Arizona Revised Statutes Section 41-2305 to enter into this agreement and has delegated to the undersigned authority to execute this agreement on behalf of the AOT.

3. The DOT, the AOT, and the Arizona Highways Magazine, as a section of the DOT, desire to develop and implement comprehensive marketing strategies to promote Arizona Scenic Byway highways, generally in accordance with Exhibit A, which is attached hereto and made a part hereof, at a currently estimated cost of \$400,000.00, all at DOT expense, hereinafter referred to as the Project. The parties hereto agree that the AOT shall be the lead agency for the Project.

4. As the Project progresses, the DOT and the AOT will review the budgets and adjust to meet the various requirements for successful implementation of the Project.

THEREFORE, in consideration of the mutual agreements expressed herein, it is agreed as follows:

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## II. SCOPE OF WORK

1. The DOT will:
  - a. Appoint a Project Coordinator within the DOT's Roadside Development Section to interface the AOT and AZ Highways Magazine relating to the project to develop comprehensive marketing strategies to promote scenic byways statewide.
  - b. Provide the AOT with information and data as may be reasonably available to assist in the Project work.
  - c. Reimburse the AOT within forty-five (45) days after receipt and approval of monthly invoices, in a total amount currently estimated at \$300,000.00.
  - d. The DOT, through Arizona Highways Magazine, will produce a book and an interactive website for an amount currently estimated at \$100,000. The proceeds from sales of the book will go to AZ Highways Magazine.
2. The AOT will:
  - a. Appoint a Project Coordinator at AOT to interface with the DOT and AZ Highways Magazine relating to the project.
  - b. Develop a comprehensive marketing strategy to include a public relations campaign, trade marketing efforts and consumer advertising, both domestically & internationally.
  - c. Develop collateral materials to be distributed to the consumer and industry trade and media, both domestically & internationally.
  - d. Conduct Public Involvement Meetings with chambers, tourism industry representatives, public sector officials (state, local, and federal) for the 11 Scenic Byways clusters, including surrounding towns.
  - e. Coordinate production with AZ Highways Magazine of a new Scenic Byways book and website and other collateral dealing with the Scenic Byways.
  - f. Coordinate with representatives from state & federal agencies, local chambers & convention & visitors bureaus, historical/cultural organizations, universities, tribal offices, etc. to develop & coordinate a series of familiarization tours for local, domestic and international journalists & tour operators/travel agents to experience the Scenic Byways.
  - g. No more often than monthly, invoice the DOT in the form of Exhibit A attached hereto, supported by narrative reports and an accounting of monthly costs & expenditures on the Project. Upon completion of Phase I, any funds not used will be reallocated to necessary areas of Phase II.
  - h. Hold a Regional Conference to develop a Regional Scenic Byways Marketing Strategy in coordination with the neighboring states, such as New Mexico, Colorado, Utah, Nevada & California.

## III. MISCELLANEOUS PROVISIONS

1. Title to all documents, reports and other deliverables prepared by the AOT in performance of this agreement shall rest jointly with the DOT and the AOT.

2. This agreement shall become effective upon signature by the parties hereto, and shall remain in force and effect until on or about 31 August 2004, or upon completion of said Project and reimbursements; provided, however, that this agreement, may be cancelled at any time prior to the commencement of performance under this agreement, upon thirty (30) days written notice to the other party.

3. The parties agree to comply with all applicable state and federal laws, rules, regulations and executive orders governing equal employment opportunity, immigration, nondiscrimination and affirmative action.

4. This agreement may be cancelled in accordance with Arizona Revised Statutes Section 38-511.

5. The provisions of Arizona Revised Statutes Section 35-214 are applicable to this contract.

6. In the event of any controversy which may arise out of this agreement, the parties hereto agree to abide by required arbitration as is set forth for public works contracts in Arizona Revised Statutes Section 12-1518.

7. All notices or demands upon any party to this agreement relating to the agreement shall be in writing and shall be delivered in person or sent by mail addressed as follows:

Department of Transportation  
Joint Project Administration  
205 S. 17th Avenue - 616E  
Phoenix, AZ 85007

Arizona Office of Tourism  
Director  
2702 N. 3<sup>rd</sup> Street, Suite 4015  
Phoenix, AZ 85004

8. The parties recognize that performance by AOT under this agreement may be dependent upon the appropriation of funds by the State Legislature of Arizona and the federal government. Should they at any time fail to appropriate the necessary funds for such performance, then, by written notice to the other party, either party may cancel this agreement. Should the Project not be completed, be partially completed, or be completed at a lower cost than the paid amount, or for any other reason should any of these funds not be expended, a proportionate amount of the funds provided under this agreement shall be reimbursed to the DOT.

IN WITNESS WHEREOF, the parties have executed this agreement the day and year first above written.

#### STATE OF ARIZONA

THE ARIZONA OFFICE OF TOURISM

DEPARTMENT OF TRANSPORTATION

By   
MARK McDERMOTT  
Director

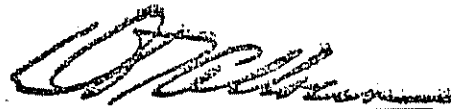
By   
CATHERINE J. HEGEL  
Contract Administrator

5feb

RESOLUTION

BE IT RESOLVED on this 22nd day of December 2000, that I, the undersigned MARY E. PETERS, as Director of the Arizona Department of Transportation, have determined that it is in the best interests of the State of Arizona that the Department of Transportation, acting by and through the Intermodal Transportation Division, to enter into an agreement with the Arizona Office of Tourism for the purpose of defining responsibilities for the Scenic Byways Marketing Strategies.

Therefore, authorization is hereby granted to draft said agreement which, upon completion, shall be submitted to the Contract Administrator for approval and execution.

A handwritten signature in black ink, appearing to read 'David R. Allocco', is written over a horizontal line.

DAVID R. ALLOCCO, P.E.  
Assistant State Engineer  
Engineering Technical Group  
for Mary E. Peters, Director

**SUGGESTED BUDGET FOR MARKETING CAMPAIGN FOR  
ARIZONA SCENIC BYWAYS  
2001-2002**

**A. Public Involvement Meetings:**

*Phase I*

Local Organizations – One meeting with chambers, tourism industry representatives, public sector officials (state, local, federal), etc. for the regional groups – meetings. Meetings to begin in January, 2001.

Brainstorming meeting with Scenic Byways representatives from neighboring states of Utah, Colorado, Nevada and New Mexico plus a follow up meeting – 2 meetings to be scheduled in 2001.

Coordination of all public involvement contacts, including state, federal, local, etc.	\$30,000.00
Travel for above meetings:	- 5,000.00
Presentations, including collateral materials, mailings, telephone/fax follow up, refreshments	5,000.00
Total	\$40,000.00

**B. Familiarization Tours/Public Relations**

*Phase II*

Media Tours – 2 in 2001/2 in 2002	\$28,000.00
Trade Tours - 2 in 2001/2 in 2002	14,000.00
Promotion – press kit covers; release paper, mailings, etc.	8,000.00

Plus promotion at industry trade shows, domestically and internationally; releases to press worldwide; information in AOT newsletters and AOT web site, cooperative promotions, etc.

Total	\$50,000.00
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C. Promotion(Advertising & Collateral)

✕ Promotion Piece (16 pages – 4 color) 100,000 copies Including printing,design, copy (photos to be Provided by Arizona Highways)	\$40,000.00
Fulfillment – 10,000 copies @\$\$.50 each	5,000.00
Miscellaneous collateral pieces	20,000.00
Advertising – placement plus creative	115,000.00
Supervision of all creative,printing, etc.	30,000.00
Total	\$210,000.00

Grand Total for Marketing - \$300,000.00

November 1, 2000

11/20/00					
Costs of proposed Scenic Byways Mileposts book					
Projected list price is \$16.95					
HARD CREATIVE COSTS					
Author fee *	13,496				
Author exp	21,699				
Staff exp	2,850				
Photos -	15,840				
Maps	4,000				
TOTAL	57,886				
MANUFACTURE					
Copies	10,000	15,000	20,000		
PPBD per unit	3.31	2.90	2.70		
TOTAL MANU COSTS	33,100	43,500	54,000		
Total Hard Costs	90,986	101,386	111,886		
— Unit Cost	9.10	6.76	5.59		—
* Based on sale of 10,000 copies					
Additional royalties would not come from the grant					
Assumes price of \$16.95					
~ For right to publish photos in unlimited copies or printings of book and to use them to promote the book.					
Does not include cost of using photos in a brochure or book summary.					

*cost of website + photos \$42,114*

*AZ Highways Total: \$100,000*



**ATTORNEY GENERAL**  
**CIVIL DIVISION**  
**TRANSPORTATION SECTION**

**MEMORANDUM**

**TO:** JACK HAMMITT  
Right-of-Way Operations 616E

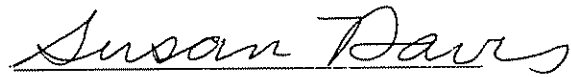
**FROM:** SUSAN E. DAVIS  
Assistant Attorney General

**DATE:** February 15, 2001

**RE:** IGA - Arizona office of Tourism  
ECS File JPA 00-208  
A.G. No. KR01-0034TRN  
Project: SB-AB-99(009)P  
Section: Scenic Byways Marketing Strategies

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This agreement appears to be in proper form and may be circulated for signature.

  
SUSAN E. DAVIS  
Assistant Attorney General

SED:ggt

Att.

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